Acquisition Reform **** Update ****

August 1995 Volume 2 Number 5

OSD schedules Satellite Broadcast for Status of FASA Rules

The Office of the Secretary of Defense has scheduled a live satellite broadcast on August 23, 1995 from 1:00 p.m. - 5:00 p.m. (EDsT). This satellite downlink training is part of the continuing OSD thrust to find innovative ways to communicate the Acquisition Reform message. The broadcast will provide an executive summary of the final rules implementing FASA and will communicate major changes to the way we can expect to do business as of
October 1, 1995. The target audience is the acquisition workforce to include legal, auditors and educators.

The training will be broadcast on:

KU BAND:
SBS-6 Transponder 3(H)
located at 95_ W
DOWNLINK VIDEO FREQUENCY: 11774.0 MHz
DOWNLINK AUDIO FREQUENCY: 6.2/6.8 Mhz

C BAND:
Telestar 302 Transponder 3(H)
Channel 5
located at 85_ W
DOWNLINK VIDEO FREQUENCY: 3800 MHz
DOWNLINK AUDIO FREQUENCY: 6.2/6.8 Mhz

For technical assistance (satellite), call: (202) 720-8559 or (202) 720-4001.

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The broadcast will be divided into segments as follows: 1230-1300 Test and tone (satellite); 1300-1500 Broadcast; 1500-1530 Break; and 1530-1700 Q&A. Questions during the broadcast can be directed live through (800) 832-7259 or FAXed to (202) 690-2042.

Point of contact for additional information is Alex Dean (703) 602-0263 or 602-5506, FAX (703) 602-5481, Internet address: Dean_Alex@asnrdad.acq-ref.navy.mil

AR in action: PEO(SCS) expedites JTIDS DAB decision

The Program Executive Officer for Space, Communications and Sensors (PEO(SCS)) was recently successful in expediting a Milestone IIIB DAB decision for the Joint Tactical Information Distribution System (JTIDS) Program through major acquisition reform initiatives. These efforts resulted in an accelerated milestone decision via a paper "DAB" versus a formal DAB meeting, which enabled a timely full rate production contract award.

Gaining a milestone decision approval in time to award the FRP contract in March 1995 was critical to the Navy. The Navy has firm schedules for installing JTIDS terminals on numerous ships and aircraft, and the Marine Corps had firm schedules for installing terminals in their Tactical Air Operations Command & Control Centers. Since JTIDS is a Joint service program with USAF as lead service, these initiatives required a multi-front approach which enabled streamlining at both the service and OSD levels.

Early in 1994, PEO(SCS) launched an intensive effort to compress the timeline and reduce the documentation required for a milestone approval. Additionally, PEO(SCS) actively promoted, with Air Force and OSD, the concept of achieving a milestone decision through a "paper DAB" process versus a formal DAB meeting. The PEO(SCS)'s primary focus was on two elements: issues and documentation. In both cases, critical paths to the DAB were identified and analyzed, and POA&Ms were developed to ensure that the DAB schedule could be accelerated to achieve the "paper" DAB.

Issues were addressed on multiple levels within OSD and the services. Documentation was updated, reviewed and submitted using an aggressive timeline designed to have all documentation completed at least two months prior to the original DAB date. CAIG and JROC reviews were also aggressively pursued. PEO-SCS, in coordination with the resource sponsor, actively participated in working level meetings and reviews to ensure that data was promptly provided and questions answered expeditiously.

A significant event in the area of documentation streamlining was the granting, by OSD, of the waiver for the JTIDS COEA. The request for the waiver was initiated and pressed hard by the PEO(SCS) with support from the other services. The waiver was based on the JTIDS program history, operational test data, and having actual cost and performance data. This common-sense action alone resulted in substantial savings in schedule, manhours and cost.

At the JTIDS Navy Program Decision Meeting (NPDM), the Commander, Operational Test and Evaluation addressed the exceptionally successful results from the Operational Evaluation conducted earlier in 1994. The successful completion of the NPDM resulted in a recommendation to proceed as soon as possible to the DAB. This accomplishment led to additional emphasis by the lead service and OSD to press forward in a timely manner in order to meet Navy installation commitments.

Once it became clear that there were no major issues which warranted convening a formal DAB meeting, the final obstacle became one of overcoming the entrenched inertia which resisted the concept that a major joint program could be approved to proceed into Full Rate Production without a formal DAB meeting. This obstacle was overcome, in the spirit of acquisition reform, and the PEO(SCS) was able to achieve its goals. Having a paper DAB shortened the DAB review process by over two months, and reduced associated administrative burdens at all levels. The "paper" DAB and timely contract award was the result of people willing to pursue the tenets of acquisition reform, through adherence to an aggressive schedule, focus on resolution of issues, and a willingness to step outside "business as usual."

Navy and Industry build a better "MSTRAP" and "LEAD" the way in AR

Officials of the Department of the Navy, Westinghouse Electric Corp., Frequency Engineering Laboratories and Loral Hycor rolled out two new torpedo defense systems on June 7 for the U.S. Navy. These systems use commercial off-the-shelf components and Non-Developmental Items that helped cut development time by two thirds, while reducing overall costs of the system a factor of four.

In ceremonies at Westinghouse's manufacturing integration and test site in Sykesville, Md., the first Multi-Sensor Torpedo Recognition and Alertment processor (MSTRAP) and Launched Expendable Acoustic Device (LEAD) were unveiled. Dignitaries included Congressman Duncan Hunter (R-CA) and Roscoe Bartlett (R-MD), both members of the House National Security Committee, Dan Porter (the DoN Acquisition Reform Executive), Tim Douglass (PEO(USW)), and RADM Alexander Krekich (Director Surface Warfare Plans, Programs & Requirements).

MSTRAP provides the Navy's surface ships with a highly capable torpedo alertment system to defend against torpedo attack. The MSTRAP system design represents a major departure from the traditional "MIL SPEC" approach. The design is based in large part on the use of commercial off-the-shelf electronics and existing cabinetry. MSTRAP also features an "open architecture" approach to surface ship combat design which translates into reduced costs and shorter timeframes to incorporate future combat system upgrades.

The LEAD defensive subsystem integrates existing submarine countermeasures, the US-ADC MK2 and UK-2066, with proven chaff and infra-red launching systems. The LEAD design is totally based on existing systems and is truly a Non-Developmental Item. The approach that was taken with LEAD makes it instantly compatible and launchable from ever surface ship in the U.S. Navy, the Royal Navy, and virtually all allied navies.

Keynote speaker, the Honorable Duncan Hunter, stressed the importance of MSTRAP and LEAD calling them "assets for American Sea Power .... The focus on warfare is now in Littoral/Brown Water areas. Those Littoral regions will force close contact with enemy torpedoes. We need the war fighting capability manifested in MSTRAP and LEAD ... [they] are leading the way in New Acquisition."

Congressman Hunter concluded by congratulating the Industry and Navy teams. He stated the MSTRAP and LEAD teams were successful because they:

_ Involved the user, which is key and different from the norm;
_ Used off-the-shelf technology, allowing the commercial market to drive technology;
_ Saved 75 percent of taxpayer dollars which would otherwise have been spent; and
_ Used open architecture which is a must for enabling upgrades.

Dan Porter summarized, "This roll-out ceremony represents a seminal event, benchmarking our new way of doing business. What you are seeing here today is the future. The Navy is developing systems that are better, cheaper, and provided earlier because we are giving Program Offices like Surface Ship Torpedo Defense the freedom to do it smarter."

JG-APP helps "clean up" acquisition process

The Joint Logistics Commanders (JLC) chartered the Joint Group on Acquisition Pollution Prevention (JG-APP) on September 15, 1994 to coordinate joint service pollution prevention (P2) activities and opportunities at defense contractor facilities. The JG-APP is a two-star level group that each reports to their respective JLC member. The Navy's JG-APP representative is RADM L. F. Schriefer, Director, Environ-mental Protection, Safety and Occupational Health Division, CNO(N45). Through the initiatives of this group, Department of Defense (DoD) program managers (PMs) and contractors work together to reduce hazardous material procurement and use during both product manufacturing and maintenance, and to reduce duplication of effort between the services, industry, and individual contractor facilities. The Joint Pollution Prevention Advisory Board (JPPAB) is the JG-APP's working group who facilitate and coordinate JG-APP initiatives.

A 16-step Joint Methodology for identifying P2 opportunities, determining and evaluating alternatives to hazardous materials and related processes, and implementing qualified alternatives, is being validated in the JG-APP "Pilot Program." Following that methodology, P2 opportunities and affected DoD program offices are identified through a joint effort between Defense Contract Management Command (DCMC), the contractor, and the associated Defense Plant Representative Office (DPRO); selection of P2 opportunities to be pursued and identification of related test and evaluation requirements are made through a joint effort between affected PMs and the contractor; and business strategy development (including cost adjudication) is a joint effort between PM, contractor, and Defense Contract Audit Agency (DCAA).

JG-APP Pilot Program sites include McDonnell Douglas Aerospace - East, Lockheed-Martin, Pratt & Whitney, Texas Instruments Defense Systems and Electronics Group, Hughes Missile Systems, General Electric Aircraft Engines, and Boeing Defense Group. As of August 1, 1995, 49 DoD program offices were engaged though the JG-APP Pilot Program at five of the pilot sites. JG-APP initiatives at these Pilot Program sites are at various phases, ranging from P2 opportunity identification at the General Electric Aircraft Engines and Boeing Defense Group sites to planning for a late August 1995 Business Strategy meeting at the MDA-E site. Examples of the opportunities and benefits being pursued within the pilot program are as follow:

Lockheed-Martin (formally Martin Marietta): 1,200 pounds per year of toluene from conformal coating processes shared by two Air Force, one Navy, and two NASA programs.

Pratt & Whitney: 14,000 pounds per year of chromium used in chromate coatings process for propulsion systems shared by five Air Force, two Navy, and two NASA programs.

McDonnell Douglas Aerospace - East: 8,500 pounds per year of chromium, 60 percent reduction in application, from chromate process for airframe outer mold line shared by two Air Force, four Navy, one Army, and one Marine Corps programs. This initiative also has far-reaching life cycle benefits to all service depots/maintenance facilities through the potential to eliminate the need to address and manage chromium in aircraft depainting and repainting. Additionally, the joint initiative has resulted in a 15 month acceleration of the McDonnell Douglas Aerospace - East (MDA-E) strategic plan to address the elimination of 241,000 pounds per year of Methyl Ethyl Ketone. Those results directly benefited the Harpoon/SLAM program office and MDA-E by providing source requirement identification and budget planning requirements to eliminate the use of the hazardous material from cleaning processes.

To date, the JPPAB has obtained support for the Joint Methodology from numerous industry associations, including the Aerospace Industry Association (AIA), Electronics Industry Association (EIA), National Security Industry Association (NSIA), American Defense Preparedness Association (ADPA), and National Center for Manufacturing Sciences (NCMS). Through the validation of the Joint Methodology and the cross-feeding of JG-APP successes to all DoD PMs, defense contractors, and these industry association groups, the JG-APP seeks to establish the Joint Methodology as a ready tool by which PMs and contractors can pursue P2 and HM reduction and elimination initiatives. Comments or questions can be addressed to:

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NAVSUP provides guidance for Simplified Acquisition Procedures implementation

The Naval Supply Systems Command released policy letter SA 95-07 dated June 23, 1995, which provided the guidance for Simplified Acquisition Procedures implementation. SAP implementation became effective on July 3, 1995. Enclosed with the policy letter were two documents to assist in immediate implementation. The first item is the Shore and Fleet Simplified Acquisition Procedures and Micro-Purchase Procedures section of NAVSUP interim instruction 4200.85C. The second item is the NAVSUP Simplified Acquisition Training Module. Training assistance will be available through the regional Procurement Management Review (PMR) Detachments located in Europe, WESTPAC, and on both coasts of the United States. POC is Eva Robinson, SUP 21G, at (703) 607-0712.

Acquisition Coordination Teams (ACTs) are effective!

The New Attack Submarine (NSSN) Command, Control and Combat (C^3I) System is leading the charge in acquisition reform! As a service to the PEO(SUB) and as a pilot project in the role of integrated product teams (IPT), the Acquisition Reform Office (ARO) recently facilitated a process which resulted in Navy and OSD approval of the NSSN C3I system acquisition in 12 business days! The ARO and PMO-401 worked together to establish an acquisition coordinating team (ACT) comprised of Navy and OSD stakeholders in the acquisition, requirements and business communities.

The ACT members worked together as a team to streamline the approval process for the NSSN C3I system, which is a major subsystem of the ship, an ACAT ID program. The group resolved issues and agreed on an acquisition strategy, developed a streamlined approach, and obtained the necessary Navy and OSD approvals to release a draft Request for Procurement (RFP) to industry for comment. The group successfully completed this in just over two weeks from their kickoff meeting, a tribute to the spirit of cooperation and collaboration among the team members.

While the draft RFP was released to industry for comment, the ARO RFP Review Team led by Tom Ballentine and comprised of experts from NAVAIR, NAVSEA, SPAWAR and NAVSUP reviewed the RFP for compliance with Acquisition Reform goals and objectives. Acquisition Reform innovations embodied by the NSSN C3I program include the use of an open systems architecture with commercial off- the- shelf components, a design to affordability approach and incorporation of a technology refreshment concept to ensure the technological currency of the product that will be delivered to the fleet.

The partnership which has been established between the acquisition, requirements, and business communities to support the NSSN C3I program continues and serves as a model for other programs. If you have any questions about the NSSN C3I acquisition reform initiatives, please contact Janey Nodeen at the ARO (602-0263) or Dick McNamara in PMO-401 (602-3142).

Share your lessons learned!

Call or visit Alex Dean at (703) 602-0263 or 5506, CP#5, room 924, Crystal City, VA. Or send a FAX to (703) 602-5481 or (Internet): Dean_Alex@asnrdad.acq-ref.navy.mil

Information becoming available on

Navy FACNET sites

The Navy is actively implementing sites for Federal Acquisition Computer Network. The Navy FACNET, Electronic Commerce in Contracting points of contact are Matthew M. Nielsen, NAVSUP 24A, (717) 790-4437, and Todd Hoover (717) 790-2469. They encourage members of the acquisition workforce to contact them regarding potential sites.

Next month the *AR Update* will include an article on where the Navy is in EC/EDI implementation. Additionally, comprehensive information on this program will be available on the **Acquisition Reform Office World Wide Web Home Page** (**hhtp:\\www.acq-ref.navy.mil**) by the end of August.

SPECS & STANDARDS
Straight-Talk from the DEPSO

On July 26 the Navy Standardization Office issued a schedule for conducting RFP reviews. The reviews will provide information on the extent to which the solicitation was written in performance-terms, assess whether the solicitation will result in the use of commercial practices, and establish lessons learned for use in the development of future RFPs.

Two reviews per month are planned, using System Command functional experts as members of the review teams. RFP reviews occur either prior to release (at the Program Manager's request), or after the contract has been awarded. Pre-release reviews are conducted with a quick turn-around time to allow for incorporating recommendations into the RFP.

In July, reviews were accomplished on MK 48 ADCAP Torpedo Modifications (PMO402) and NSSN Command, Control, Communications, and Intelligence System Acquisition (PMO401). Two programs scheduled for reviews in August are NATO Improved Link Eleven (NILE) (PMW 159) and AIM-9X (PMA 259).

Lessons learned will be collected from post-award reviews and subsequently published on the **DoN Acquisition Reform Office World Wide Web Home Page (http://www.acq-ref.navy.mil**). For additional information contact CDR Bob Petroka, (703) 602-0136, FAX (703) 602-5481, or Petroka_Bob@asnrdad.acq-ref.navy.mil